

(iii) Four workweeks in the waiting period for steps 4 and 5;

(3) Time during which an employee or former employee is on leave of absence or is separated from Federal service and is entitled to continuation of pay or compensation under subchapter I of chapter 81 of title 5, United States Code. This does not apply to prevailing rate employees within a Department of Defense or Coast Guard non-appropriated fund instrumentality;

(4) A period of military service when:

(i) An employee is on leave of absence to perform such service and returns to pay status through the exercise of a restoration right provided by law, Executive order, or regulation; or

(ii) A former employee is reemployed with the Federal Service not later than 52 calendar weeks after separation from such service or hospitalization continuing thereafter for a period of not more than one year. Military service means honorable active service in the Armed Forces, in the Regular or Reserve Corps of the Public Health Service after June 30, 1960, or as a commissioned officer of the Environmental Science Services Administration after June 30, 1961, but does not include service in the National Guard, except when ordered to active duty in the service of the United States.

(5) The time between an employee's separation from an earlier position and the date of the employee's return to a civilian position through the exercise of a reemployment right granted by law, Executive Order, or regulation;

(6) Time during which an employee is performing service, which is creditable under section 8332(b) (5) or (7) of title 5, United States Code;

(7) The time during which an employee is detailed to a non-Federal position under subchapter VI of chapter 33 of title 5, United States Code; and

(8) Nonworkdays intervening between an employee's last regularly scheduled workday in one position and the first regularly scheduled workday in a new position.

(9) Time during which an employee is temporarily employed by another agency in a position covered by this subpart.

(d) Effective date. A within-grade increase shall be effective at the begin-

ning of the first applicable pay period following the day an employee becomes eligible for the increase.

(e) *Equivalent increase*. The following shall not be counted as equivalent increases:

(1) Application of a new or revised wage schedule or application of a new pay or evaluation plan;

(2) Payment of additional compensation in the form of nonforeign or foreign post differentials or nonforeign cost-of-living allowances;

(3) Adjustment of the General Schedule;

(4) Premium payment for overtime and holiday duty;

(5) Payment of night shift differential;

(6) Hazard pay differentials;

(7) Payment of rates above the minimum rate of the grade in recognition of specific qualifications, or in jobs in specific hard-to-fill occupations;

(8) Correction of an error in a previous demotion or reduction in pay;

(9) Temporary limited promotion followed by change to lower grade to the former or a different lower grade;

(10) A transfer or reassignment in the same grade and step to another local wage area with a higher wage schedule;

(11) Repromotion to a former or intervening grade of any employee whose earlier change to lower grade was not for cause and was not at the employee's request; and

(12) An increase resulting from the grant of a quality step increase under the General Schedule.

[46 FR 21344, Apr. 10, 1981, as amended at 49 FR 37055, Sept. 21, 1984; 55 FR 46180, Nov. 1, 1990]

§ 532.419 Grade and pay retention.

(a) In accordance with section 9(a)(1) of Public Law 92-392 (86 Stat. 564, 573), an employee's initial rate of pay on conversion to a wage schedule established under the provisions of subchapter IV of chapter 53, title 5, United States Code, shall be determined under conversion rules prescribed by the Office of Personnel Management.

(b) Except as provided in paragraph (a) of this section, an employee's eligibility for grade and/or pay retention shall be determined in accordance with the provisions of part 536 of this title.